

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

FM HOLDINGS, LLC f/k/a
FORWARDMARKET, LLC,

Plaintiff,

v.

BILL MAHONEY and
STEPHEN GREGORIO,

Defendants.

Civ. No. 05-11400-MLW

JOINT STATUS REPORT

The parties respectfully submit this joint status report pursuant to the Court's September 17, 2007 Order. On October 3, 2007, the parties successfully mediated their dispute. They reached a settlement of this litigation that will involve the filing of a stipulation of dismissal with prejudice upon completion of the necessary documentation and plaintiff's receipt of payment of the settlement amount by November 2. The defendants are also separately engaged in efforts to resolve remaining indemnity issues. The parties request that the Court take no further action until the stipulation of dismissal has been filed or the parties report to the contrary.

Dated: October 10, 2007

Plaintiff FM Holdings, LLC
By its attorneys,

Defendants Bill Mahoney and
Stephen Gregorio
By their attorneys,

/s/ Sanford F. Remz

Sanford F. Remz (BBO #538300)
Kevin S. Murphy (BBO #638335)
Yurko, Salvesen & Remz, P.C
One Washington Mall, 11th Floor
Boston, MA 02108
(617) 723-6900

/s/ Timothy C. Blank

Timothy C. Blank (BBO #548670)
Michael Shin (BBO #658134)
Dechert LLP
200 Clarendon Street, 27th Floor
Boston, MA, 02116
(617) 728-7100